2010 WATER & SEWER RATES

Second increase, effective date June 1, 2010

A new water and sewer rate structure adopted by City Council will begin appearing in bills sent to customers this July. The new rates largely reflect the true cost of providing service for each group of customers, such as residential, multi-family, commercial and contract treated water customers. The City will base most future rate adjustments on annual increases to the Producer Price Index, which more accurately reflects the City's yearly cost increases for water production, wastewater treatment, system maintenance, and infrastructure replacement.

The City conducted and implemented an efficiency study before increasing rates. As a result of the efficiency study, the City identified and implemented changes to offset the rising cost of providing clean drinking water and effective wastewater disposal services. These changes will continue to benefit Customers in the coming years. The City has and will take other steps to reduce costs, including renegotiating contracts when prices decline and re-engineering water treatment processes to take advantage of less costly chemicals. Unfortunately, this was not enough to keep up with rising costs. The City needs to increase rates to make up the difference between what it costs the City and what the City charges to provide water and wastewater services.

The new rates include a basic service charge plus a volume fee. The City will calculate the basic service charge for each group of customers based on the customer's water meter size and the volume charge based on the amount of water the customer consumes. The rates are further detailed in the following tables.

2010 WATER & SEWER RATES

Effective date June 1, 2010

The basic service charge for both water and sewer is affected by the water meter size. For all classes that include sewer, the water consumption is used to determine the appropriate sewer consumption charge.

Single-Family Residential – TU 01, 02, & 03:

The basic charge for each meter size is listed below. For simplicity, this table adds volume and base charges together for 1,000 to 6,000 gallons. From 7,000 to 12,000 gallons the rate is \$3.65 per 1,000 gallons, regardless of meter size. Starting at 13,000 gallons, the rate is \$6.01 per 1,000 gallons.

Water Rates						
	5/8 or ¾" meters	1 inch meter	1.5 inch meter	2 or 3 inch meter		
Basic charge, per meter size	\$3.70	\$4.58	\$6.94	\$8.17		
The numbers b	elow this line	include both E	Base and Volui	me charges		
1,000 gallons	\$3.80	\$4.68	\$7.04	\$8.27		
2,000 gallons	\$8.66	\$9.54	\$11.90	\$13.13		
3,000 gallons	\$8.95	\$9.83	\$12.19	\$13.42		
4,000 gallons	\$16.93	\$17.81	\$20.17	\$21.40		
5,000 gallons	\$20.29	\$21.17	\$23.53	\$2 <i>4.</i> 76		
6,000 gallons	\$23.65	\$2 <i>4</i> .53	\$26.89	\$28.12		
7,000 to 12,000 gallons	The total charge for 6,000 gallons + \$3.65 per 1,000 gallons					
Over 12,000 gallons	The tota	The total charge for 12,000 gallons + \$6.01 per 1,000 gallons				

Sewer Rates							
	5/8 or ¾" 1 inch 1.5 inch 2 inch 3 inch meters meter meter meter meter						
Basic charge, per meter size	\$7.86	\$8.26	\$9.57	\$9.97	\$17.86		
The numbers b	elow this line	include both E	Base and Volui	me charges			
1,000 gallons	\$7.99	\$8.39	\$9.70	\$10.10	\$17.99		
2,000 gallons	\$8.25	\$8.65	\$9.96	\$10.36	\$18.25		
3,000 gallons	\$8.46	\$8.86	\$10.17	\$10.57	\$18.46		
4,000 gallons	\$19.39	\$19.79	\$21.10	\$21.50	\$29.39		
5,000 gallons	\$23.34	\$23.74	\$25.05	\$25.45	\$33.34		
6,000 gallons	\$29.09	\$29.49	\$30.80	\$31.20	\$39.09		
Over 6,000 gallons	The tota	The total charge for 6,000 gallons + \$5.75 per 1,000 gallons					

EXAMPLES OF RESIDENTIAL BILLINGS:

1,000 gallons, 5/8" meter	\$ 3.80 Water <u>\$ 7.99 Sewer</u>		
	\$11.79 Total/Month	Water Charges	Sewer Charges
7,000 gallons, 5/8" meter	\$ 27.30 Water <u>\$ 34.84 Sewer</u> \$ 62.14 Total/Month	\$23.65 for 6,000 gallons plus 1,000 gallons at \$3.65 = \$27.30	\$29.09 for 6,000 gallons plus 1,000 gallons at \$5.75 = \$34.84
14,000 gallons, 5/8" meter	\$ 57.57 Water \$ 75.09 Sewer \$132.66 Total/Month	\$23.65 for 6,000 gallons plus 6,000 gallons at \$3.65 plus 2,000 gallons at \$6.01 = \$57.57	\$29.09 for 6,000 gallons plus 8,000 gallons at \$5.75 = \$75.09

Multi-Family —TU 14-19:

- 14 (duplex 2 units)
- 15 (tri-plex 3 units)
- 16 (quad-plex 4 units)
- 17 (master-metered townhomes any number of units)
- 18 (apartments 5+ units)
- 19 (trailer parks)

Consumption is no longer included with the basic charge. The volume charges are applied to all usage.

Rate	Meter size (Inches)	Basic Water Charge	Basic Sewer Charge
	5/8	\$4.51	\$7.93
	3/4	\$4.65	\$7.93
	1	\$5.59	\$8.33
	1.5	\$8.46	\$9.66
Basic Charge	2	\$9.96	\$10.06
(0 consumption)	3	\$26.36	\$18.02
	4	\$35.93	\$20.41
	6	\$61.58	\$29.17
	8	\$160.79	\$70.84
	10	\$160.79	\$86.10
Volume Charge	All	+ \$3.47 per 1,000 gallons	+ \$5.04 per 1,000 gallons

Commercial - TU 21-60 (WSC 3, 5, 6):

Consumption is no longer included with the basic charge. The volume charges are applied to all usage.

Rate	Meter Size (Inches)	Basic Water Charge	Basic Sewer Charge
	5/8	\$4.51	\$7.93
	3/4	\$4.65	\$7.93
	1	\$5.59	\$8.33
	1.5	\$8.46	\$9.66
Basic Charge	2	\$9.96	\$10.06
(0 consumption)	3	\$26.36	\$18.02
	4	\$35.93	\$20.41
	6	\$61.58	\$29.17
	8	\$160.79	\$70.84
	10	\$160.79	\$86.10
Volume Charge	All	+ \$3.56 per 1,000 gallons	+ \$5.04 per 1,000 gallons

Industrial, No Surcharge – (WSC 6):

Industrial rates include a monthly basic charge and volume charges for both water and sewer. No consumption is included with the basic charge for water or sewer. Some customers are billed for sewer only, based on readings from non-City of Houston water meters.

Rate	Meter Size (Inches)	Water Charge	Basic Sewer Charge
	5/8	\$4.51	\$13.41
	3/4	\$4.65	\$13.41
	1	\$5.59	\$13.41
	1.5	\$8.46	\$13.41
Basic Charge	2	\$9.96	\$13.41
(0 consumption)	3	\$26.36	\$17.86
	4	\$35.93	\$20.41
	6	\$61.58	\$29.17
	8	\$160.79	\$70.84
	10+	\$160.79	\$86.10
			Up to 2,000 gallons
Volume Charge	A.II	+ \$3.56 per	at \$3.10 per 1,000 gallons
	All	1,000 gallons	All over 2,000 gallons + \$5.52 per 1,000 gallons.

Transient Meters – TU 71:

These accounts have rental fees, base charges and consumption charges.

Rate	Basic Water Charge				
	1" 2" 3"				
Basic Charge/Rental Fee (0 consumption)	\$15.04	\$20.05	\$25.07		
Volume Charges	+\$3.99 per 1,000 gallons				

Please refer questions to Rockette Simpson at 713-371-1355 or fax to 713-371-1349.

<u>Lawn/Outdoor Meters – TU 72:</u>

No consumption is included with the basic charge. Volume charges are applied to all usage, but there are two rate tiers. The "defined quantity" marks the point where the tier changes, which is different for each meter size. Charges up to the defined quantity are charged at the lower rate tier; charges in excess of the defined quantity are charged at the higher rate tier.

Rate	Meter Size (Inches)	Basic Water Charge	Defined Quantity (First Tier of Volume Charges)
	5/8	\$22.44	None – all consumption at 2 nd tier
	3/4	\$22.44	None – all consumption at 2 nd tier
Basic Rate,	1	\$25.16	None – all consumption at 2 nd tier
per meter size,	1.5	\$66.79	Up to 10,000: + \$2.61 per 1,000 gallons
(plus first tier of	2	\$103.23	Up to 16,000: + \$2.61 per 1,000 gallons
volume charges)	3	\$224.11	Up to 35,000: + \$2.61 per 1,000 gallons
	4	\$379.41	Up to 60,000: + \$2.61 per 1,000 gallons
	6	\$781.32	Up to 125,000: + \$2.61 per 1,000 gallons
	8	\$1129.88	Up to 180,000: + \$2.61 per 1,000 gallons
Volume Charges Second Tier (All meter sizes)	All consumption	on over defined q	uantity: + \$6.01 per 1,000 gallons

Customers may choose to close these accounts in winter, subject to the usual \$5.00 fee for re-opening them. This will avoid monthly basic charges if there is no consumption. Customers will remain responsible for all charges in any month water passes through the meter, even if the account is closed.

EXAMPLES OF LAWN BILLING:

5/8" Meter w/2,00	0 gallons	1" Meter w/12,000	gallons	3" meter w 60,000	gallons	6" meter w 60,00	00 gallons
Basic: 2nd tier: 2*6.01	22.44 \$12.02	Basic: 2 nd tier: 12*6.01	\$25.16 <u>\$72.12</u>	Basic: 1 st tier: 35*2.61 2 nd tier: 25*6.01	\$224.11 \$91.35 <u>\$150.25</u>	Basic: 1 st tier: 60*2.61	\$781.32 \$156.60
TOTAL:	\$34.46	TOTAL:	\$97.28	TOTAL:	\$465.71	TOTAL:	\$937.92

Other Classes:

<u>Industrial w/Surcharge – (WSC 9):</u>

Industrial rates include a monthly basic charge and volume charges for both water and sewer. Some customers are billed for sewer only, based on readings from non-City of Houston water meters. These customers take their water from non-City of Houston sources and may choose to install a water meter of the type and standard approved by the department for the purpose of measuring the amount of water taken into such facilities. The water consumption indicated by such meter shall be the basis of determining the sewer charge. Rates are the same as if the water is from City of Houston source.

No consumption is included with the basic charge for water or sewer. While the basic charge for water and sewer is determined by meter size, the volume charge for sewer may vary based on the results of effluent testing.

Rate	Meter Size (Inches)	Water Charge	Basic Sewer Charge
	5/8	\$4.51	\$13.41
	3/4	\$4.65	\$13.41
	1	\$5.59	\$13.41
	1.5	\$8.46	\$13.41
Basic Charge	2	\$9.96	\$13.41
(0 consumption)	3	\$26.36	\$17.86
	4	\$35.93	\$20.41
	6	\$61.58	\$29.17
	8	\$160.79	\$70.84
	10+	\$160.79	\$86.10
Volume Charge	All	+ \$3.56 per 1,000 gallons	See below

Additional surcharges for industrial sewer accounts are determined by application of a special formula to the results of effluent tests:

$$X + (BOD * R * Y / 1000) + (SS * R * Z / 1000)$$

Where:

X = \$3.71 per 1000 gallons, R= 8.337, Y= \$0.6388 / lb., Z = \$0.2522 / lb.,

BOD = test results for Biochemical Oxygen Demand, and SS = test results for Suspended Solids.

Any questions on how the surcharges are calculated, or regarding prohibited discharges, should be referred to the Wastewater Operations Branch by calling (281) 575-2800 or by emailing pretreatment@cityofhouston.net.

Resale — TU 73:

These customers purchase water from the City of Houston for resale.

Rate	Meter Size (Inches)	Basic Water Charge
	5/8	\$17.02
	3/4	\$17.02
	1	\$19.74
Basic Charge,	1.5	\$48.70
per meter size	2	\$74.27
(0 consumption)	3	\$160.77
	4	\$270.83
	6	\$555.11
	8	\$804.14
Volume Charge (All meter sizes, all consumption)	\$4.27 per 1,000 gallons	

Emergency Backup Service — TU 74:

The Contact Center at 713-371-1400 can answer routine questions about these accounts. To notify UCS of EBS use, fax the report to 713-371-1359.

Rate	Meter Size (Inches)	Basic Water Charge
	5/8,3/4	\$6.47
	1	\$9.20
	1.5	\$13.57
Basic Charge,	2	\$18.06
per meter size	3	\$37.83
(0 consumption)	4	\$60.05
	6	\$116.00
	8	\$171.83
	10+	\$177.87
Volume Charge (All meter sizes, all consumption)	\$6.60 per 1,000 gallons	

<u>Un-Metered Fire Line Charge – TU 21-60, 75:</u>

Un-metered fire lines are charged a flat fee every month, under the provisions of City of Houston Ordinance §47-64. These lines must be equipped with backflow prevention assemblies.

For Line Size (Inches)	Basic Water Charge
5/8	\$4.51
3/4	\$4.65
1	\$5.59
1.5	\$8.49
2	\$9.96

Metered Fire Line Charge Only – TU 21-60:

These customers have their fire service isolated from the remainder of the water supply, and served through an independent meter. Normally they will have zero consumption, but a consumption charge applies if consumption occurs.

Rate	Meter Size (Inches)	Basic Water Charge
Basic Charge, per meter size (0 consumption)	5/8	\$4.51
	3/4	\$4.65
	1	\$5.59
	1.5	\$8.46
	2	\$9.96
	3	\$26.36
	4	\$35.93
	6	\$61.58
	8	\$160.79
Volume Charge (All meter sizes, all consumption)	\$3.56 per 1,000 gallons	

Un-Metered Sewer Only Customer — TU 81-82:

Special rates apply to sewer customers without City of Houston water or effluent meters. These are monthly rates, but will continue to be billed on a bi-monthly basis.

Class	Monthly Fee
Single Family Residential	\$19.39
Duplex	\$48.25
Multi-family (3+ units)	\$28.22 per single family unit
Commercial	\$53.25 per unit (defined in §47-1002)
Industrial	\$53.23 per unit (defined in §47-1002)

Contract, Untreated, and Reclaimed Water (TU 91):

Refer to the ordinance on our website at:

https://www.houstonwaterbills.houstontx.gov/SpecialMessages/Ordinance_2010-305.pdf.

If you have further questions on these accounts, contact Rebeca Savory in Contract Water at (713) 371-1194.

Contract Sewer:

These rates vary, based on whether the contracting district has participated in capital outlays. Refer to the ordinance on our website at:

https://www.houstonwaterbills.houstontx.gov/SpecialMessages/Ordinance_2010-305.pdf.

If you have further questions on these accounts, contact Rebeca Savory in Contract Water at (713) 371-1194.

<u>Agricultural and Rice Farmers (TU 92):</u>

Refer to the ordinance on our website at:

https://www.houstonwaterbills.houstontx.gov/SpecialMessages/Ordinance_2010-305.pdf.

If you have further questions on these accounts, contact Rebeca Savory in Contract Water at (713) 371-1194.

Groundwater Reduction Plan (GRP) Participants:

Refer to the ordinance on our website at:

https://www.houstonwaterbills.houstontx.gov/SpecialMessages/Ordinance_2010-305.pdf.

If you have further questions on these accounts, contact Lance Tillman at (832) 395-2470.